

**Summary and Recommendations from
the APEC Workshop on Energy Security Policy in the Context of Petroleum**
September 14-15, 2001
Bangkok, Thailand

Energy security is essential to the achievement of sustainable economic, social, and environmental goals of all APEC economies. Reflecting the significant diversity of energy resource endowment, economic development, and environment among APEC member economies, the range of policy options available to enhance energy security of individual economies are equally diversified. Both short- and longer-term options should form part of a strategic approach to energy security in the APEC region.

As for short-term preparedness options, a number of economies put high priority on emergency oil stocks, while others prioritize demand restraint and surge production of oil. Among the medium-to-long term options to achieve energy security are reform of energy markets, improving energy efficiencies, and diversification of energy supplies through development of clean fossil energy, renewable energy, and other alternative energy sources.

A consensus has emerged to respect the diversity among APEC economies and encourage the pursuit of measures suitable to individual circumstances. In making these recommendations, the voluntary nature of the APEC forum and the diversity of circumstances and aspirations of member economies are acknowledged.

In responding to possible oil supply disruptions, deliberations among APEC economies have identified four elements of policy development needing further action:

- (1) strengthening of systems for collecting and analyzing oil data to enhance oil market transparency and stability,
- (2) sharing of real-time information during oil emergencies,
- (3) investigation of stockpiling options, notably for oil-importing member economies, and
- (4) improve energy system resilience by investigation and implementation of measures such as supply and fuel diversity.

Strengthening of relationships within the region and close dialogue among the oil producing and consuming economies and with other international organizations is critical for oil market stability. In this regard, APEC economies welcome Japan's commitment to host the 8th Meeting of the International Energy Forum (September 21-23, 2002 in Osaka)Xthe producer-consumer dialogueXas an excellent contribution. There is also overall support for the need for international coordination in oil emergency responses, including sharing of real-time information during emergencies. As a first step, it is recommended that the EWG consider establishing a network among APEC members.

It is further recommended that APEC economies examine emergency preparedness options for oil supply disruptions. In this light, more focused examinations of the important factors in designing emergency preparedness options should be pursued at future workshops and EWG meetings.

In view of the rapid increase in tanker traffic from the Middle East and Africa to Asia, it is recommended the EWG look at sea-lane security issues through the various oil transport chokepoints. As a first step to address this issue, the EWG should endorse a workshop, as

part of APERC's activities, to discuss simulations of chokepoint disruptions of oil flow and to assess the impact of such disruptions on APEC economies.

Longer-term energy security involves utilizing energy resources in a sustainable manner, while at the same time exploring alternative fuel sources. It also means adopting measures to conserve and use energy more efficiently and to safeguard the environment. The EWG should continue to place a high priority on work to enhance energy security with emphasis on the relationship between energy security and sustainable development.

As part of a commitment to longer-term energy security, it is recommended that the EWG continue to encourage the exchange of experiences and information between member economies in approaches to energy security, through workshops, seminars, and the use of Implementation Facilitation Assistance Teams (IFAT), where appropriate. The EWG should also consider the development of a manual of best practice principles to address longer-term energy security, based on the experiences and approaches identified by member economies.

Owing to the high dependence of the transportation sector on oil, the development of suitable alternative fuels needs to be pursued.

The EWG should also consider additional initiatives to enhance energy security that will be undertaken by the relevant Expert Groups. Such initiatives could include the analysis of the role of energy efficiency in addressing oil demand, encouraging investment in alternative energy sources, and the development of clean energy technologies.